

Fiscal Estimate - 2009 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

| | | | |
|--|--|---|-------------|
| LRB Number 09-3965/1 | | Introduction Number AB-0696 | |
| Description Authority of the Public Service Commission over certain telecommunications utilities, telecommunications access charges, universal service fund contributions based on interconnected voice over Internet protocol service, tandem switching provider electronic call records, granting rule-making authority, and making an appropriation | | | |
| Fiscal Effect | | | |
| State: | | | |
| <div style="display: flex; flex-wrap: wrap;"><div style="width: 50%;"><input type="checkbox"/> No State Fiscal Effect</div><div style="width: 50%;"><input type="checkbox"/> Indeterminate</div></div> | | | |
| <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> Increase Existing Appropriations</div><div style="width: 33%;"><input type="checkbox"/> Increase Existing Revenues</div><div style="width: 33%;"><input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget</div></div> | | | |
| <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> Decrease Existing Appropriations</div><div style="width: 33%;"><input type="checkbox"/> Decrease Existing Revenues</div><div style="width: 33%;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</div></div> | | | |
| <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> Create New Appropriations</div><div style="width: 33%;"></div><div style="width: 33%;"><input type="checkbox"/> Decrease Costs</div></div> | | | |
| Local: | | | |
| <div style="display: flex; flex-wrap: wrap;"><div style="width: 50%;"><input type="checkbox"/> No Local Government Costs</div><div style="width: 50%;"><input type="checkbox"/> Indeterminate</div></div> | | | |
| <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;">1. <input type="checkbox"/> Increase Costs</div><div style="width: 33%;">3. <input type="checkbox"/> Increase Revenue</div><div style="width: 33%;">5. Types of Local Government Units Affected</div></div> | | | |
| <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div><div style="width: 33%;"> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div><div style="width: 33%;"> <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities</div></div> | | | |
| <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;">2. <input type="checkbox"/> Decrease Costs</div><div style="width: 33%;">4. <input type="checkbox"/> Decrease Revenue</div><div style="width: 33%;"> <input type="checkbox"/> Counties <input type="checkbox"/> Others</div></div> | | | |
| <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div><div style="width: 33%;"> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div><div style="width: 33%;"> <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts</div></div> | | | |
| Fund Sources Affected | | Affected Ch. 20 Appropriations | |
| <div style="display: flex; flex-wrap: wrap;"><div style="width: 25%;"><input checked="" type="checkbox"/> GPR</div><div style="width: 25%;"><input type="checkbox"/> FED</div><div style="width: 25%;"><input checked="" type="checkbox"/> PRO</div><div style="width: 25%;"><input type="checkbox"/> PRS</div><div style="width: 25%;"><input type="checkbox"/> SEG</div><div style="width: 25%;"><input type="checkbox"/> SEGS 20.115(1)(a) and (jm)</div></div> | | | |
| Agency/Prepared By | | Authorized Signature | Date |
| DATCP/ Michelle Reinen (608) 224-5160 | | Bill Walker (608) 224-4353 | 4/6/2010 |

Fiscal Estimate Narratives

DATCP 4/6/2010

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Assumptions Used in Arriving at Fiscal Estimate

Among other things, Assembly Bill 696 changes the consumer protection authority of the Public Service Commission (PSC). Under the bill, PSC would no longer have significant authority to respond to consumer complaints involving telecommunications service. As a result, the department anticipates PSC would refer all telecommunications complaints it receives to the bureau of consumer protection.

The bill reduces PSC's authority over consumer complaints against Alternative Telecommunications Utilities (ATU). Under current law, when PSC grants ATU status to a telecommunications utility, it has discretion to apply selected portions of its regulatory authority to the individual ATU. Under the bill, PSC must apply consumer-related regulatory requirements to all ATUs and telecommunications equally.

The bill eliminates about half of PSC consumer protection authority, under s. 196.219, Stats. The bill also eliminates PSC authority to investigate and hold hearings based on consumer complaints related to telecommunications services as well as PSC authority to investigate and hold hearings on its own motion related to unfair consumer protection activities of an ATU or telecommunications provider.

Because the bill would essentially eliminate PSC authority over telecommunications consumer protection, the department expects all telecommunications consumer complaints to be redirected to the department. The department would have authority to respond to a portion of these complaints either under specific sections of current law or under the department's general unfair trade practices authority in s. 100.20(1), Stats.

The department cannot estimate the precise number of complaints that would be referred under the bill. In 2009, telecommunications was the third most complained-about subject area by consumers.

The department anticipates that the bill would increase the number of complaints received by the department by at least half of current workload. This new workload would require an additional 3.0 FTE positions, and could not be absorbed by current staff. Possible funding sources are PR from the current telecommunications assessment under s. 20.115(1)(jm), Stats., and GPR from the general consumer protection appropriation under s. 20.115(1)(a), Stats.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Office setup, desks, telephones, computers and supplies \$30,000. | | | |
| II. Annualized Costs: | | Annualized Fiscal Impact on funds from: | |
| | | Increased Costs | Decreased Costs |
| A. State Costs by Category | | | |
| State Operations - Salaries and Fringes | \$132,900 | \$ | |
| (FTE Position Changes) | (3.0 FTE) | | |
| State Operations - Other Costs | 42,600 | | |
| Local Assistance | | | |
| Aids to Individuals or Organizations | | | |
| TOTAL State Costs by Category | \$175,500 | \$ | |
| B. State Costs by Source of Funds | | | |
| GPR | 175,500 | | |
| FED | | | |
| PRO/PRS | | | |
| SEG/SEG-S | | | |
| III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.) | | | |
| | Increased Rev | Decreased Rev | |
| GPR Taxes | \$ | \$ | |
| GPR Earned | | | |
| FED | | | |
| PRO/PRS | | | |
| SEG/SEG-S | | | |
| TOTAL State Revenues | \$ | \$ | |
| NET ANNUALIZED FISCAL IMPACT | | | |
| | State | Local | |
| NET CHANGE IN COSTS | \$175,500 | \$ | |
| NET CHANGE IN REVENUE | \$ | \$ | |
| | | | |
| Agency/Prepared By | | Authorized Signature | Date |
| DATCP/ Michelle Reinen (608) 224-5160 | | Bill Walker (608) 224-4353 | 4/6/2010 |

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| Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="display: flex; justify-content: space-around;"> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div> Local: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 33%;"> 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 33%;"> 5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Cities </div> </div> </div> </div> | |

Fiscal Estimate Narratives

PSC 2/5/2010

| | | | | | |
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Assumptions Used in Arriving at Fiscal Estimate

This bill would eliminate Commission authority over a majority of its current regulation of the telecommunications sector. While some authority over interconnection and wholesale interactions remains, the bill would eliminate the Commission's regulatory functions related to investigation, consumer complaint, affiliated interest and other powers related to the retail market. As a result, it appears that a significant amount of the direct assessment income from telecommunications would be eliminated. It could also be argued that the telecommunications companies should pay significantly less in remainder assessment since the Commission would be doing so much less that involves them. This change could have serious impact PSC budget and how non-telecommunications providers are affected in their own assessments.

The bill does institute a new universal service fund program that would help small telecommunications companies as reductions in their access charges would be required with passage of this bill. As the nature of the program and, with that, the nature of the job of the USF administrator changes and likely creates increases in work and responsibility, the amount the Commission would have to pay the USF administrator would need to be elevated as well. It would also require the Commission to get an increase in the USF appropriation from its current \$5.9 million.

Long-Range Fiscal Implications

indeterminate, but could have significant impact on future PSC budgets and staffing levels